

UCON 2023 LEGISLATIVE SCORECARD

The last actions of the 2023 California legislative session took place on October 14th, which was the deadline for Governor Newsom to sign or veto legislation. UCON again had a highly effective legislative session pursuing industry measures, including furthering efforts to secure market share for union contractors on wildfire cleanup projects; updating contractors' state licensing law to ensure contractors stay informed and properly licensed; and increasing worker safety on highways.

2023 was again a very challenging year regarding general employer legislation, due to the legislature's continued push for employment laws that circumvent the sanctity of our industry collective bargaining agreements. Protecting the efficiencies provided within industry collective bargaining agreements, which allow union contractors to remain competitive, has become the highest priority when reviewing legislation. State mandated deviations from those pacts takes away from the union construction industry's ability to not only compete for work, but also recruit workers and organize contractors.

In reviewing the scorecard, you will see that much of our time and political effort goes into opposing measures that would have a negative effect on the industry. It is important to remember that both houses of California's legislature have 2/3 democratic supermajorities, making it difficult to stop progressive and environmentally slanted bills that adversely impact our contractors. Despite that fact, UCON was again successful in defeating or amending numerous measures that would have been harmful to our contractors and the industry overall.

Below is a summary of the key bills UCON took strong positions on this year and the outcome.

- = Positive Outcome
- Image: Second Second

LEGISLATION SUPPORTED BY UCON

AB 338 (Aguiar-Curry) Fire Mitigation Work

UCON co-sponsored bill that requires, beginning July 1, 2026, prevailing wages be paid to workers and apprentices on the preponderance of contracted out fire fuel reduction projects that cost in excess of \$500,000. **STATUS:** Approved by Governor

- <u>AB 752 (Rubio) Worker Safety on State Highways</u> Requires Caltrans to use, and compensate contactors for their use of, positive protection on state highway work in order to ensure worker safety.
 STATUS: Approved by the Governor
- ACA 1 (Aguiar-Curry) Local Government Public Infrastructure Voter Approval Places an initiative on the November ballot to lower the voter threshold to 55% for local

bond measures and sales taxes increases. This lower threshold would only apply when the bond or sales tax increase is proposed for the construction, reconstruction, rehabilitation, or replacement of public infrastructure and affordable housing. **STATUS:** Chaptered by Secretary of State

SB 4 (Wiener) Housing Development on Education and Religious Properties

Provides a streamlined process for religious organizations and nonprofit colleges to develop affordable housing on their property regardless of local zoning restrictions. The new law requires a development that contains more than 10 units be subject to prevailing wage and, in addition, that a development of 50 or more units ensures that all contractors on the project participate in an approved apprenticeship program and provide health care for all workers on the project.

STATUS: Approved by the Governor

SB 284 (Wiener) Contracting Out by Investor-owned Utilities

Would have required an investor-owned utility to solicit bids in writing, award work to the lowest responsible bidder and require its contractors and subcontractors to use a skilled and trained workforce. The bill would have also prohibited an investor-owned utility from requiring a contractor to enter into a collective bargaining agreement with any labor organization as a condition of bidding on contracted work, unless the agreement was a multi-craft project labor agreement.

STATUS: Failed Deadline pursuant to Rule 61(a)(10). 2-year bill.

SB 423 (Wiener) Streamlined Approvals for Multifamily Housing Developments

Expands upon and extends SB 35, a 2017 law that created a streamlined, ministerial approval process for qualifying multifamily and mixed-use affordable housing projects in localities that don't meet their state-mandated housing goals. The measure also reconfigured the labor standards attached to the use of the streamlined process to limit the requirements to use a skilled and trained workforce to very large projects, while ensuring all projects are subject to prevailing wage and that a development of 50 or more units require that all contractors on the project participate in an approved apprenticeship program and provide health care to all workers on the project. **STATUS**: Approved by the Governor.

SB 630 (Dodd) CSLB Notifications

Requires a CSLB applicant or licensee to provide the CSLB with a valid email address at the time of application or renewal; in an effort to better keep contractors aware of issues that may affect their licensing status. **STATUS**: Approved by the Governor.

SB 695 (Gonzalez) Caltrans Website Data

Requires Caltrans to annually prepare and make available on its website the scope, cost and status relaying to state highway projects from the prior fiscal year. **STATUS**: Approved by the Governor.

LEGISLATION OPPOSED BY UCON

AB 6 (Friedman) Reduction of Greenhouse Gas Emissions

Would have required the State Air Resources Board (CARB) to provide regions of the state with greenhouse gas emission reduction targets for the automobile and light truck sector for 2035 and 2045, respectively, and made various other changes to strengthen CARB's oversight.

STATUS: Failed Deadline pursuant to Rule 61(a)(10). 2-year bill.

Mage AB 7 (Friedman) Transportation Planning and Project Funding Processes

Would have required the California State Transportation Agency, Caltrans, and the California Transportation Commission, to incorporate the goals of the Climate Action Plan for Transportation Infrastructure into program funding guidelines and planning processes.

STATUS: Failed Deadline pursuant to Rule 61(a)(14). 2-year bill.

AB 524 (Wicks) Anti-discrimination for Family Caregiver Status

The California Fair Employment and Housing Act (FEHA) makes it an unlawful employment practice for an employer to refuse to hire or employ a person because of various personal characteristics, conditions, or traits. This bill would have expanded the protected characteristics under the FEHA anti-discrimination provisions to include "family caregiver" status.

STATUS: Vetoed by Governor.

AB 627 (Jackson) Heavy-duty Trucks Operating Restrictions

Would have, commencing on January 1, 2035, prohibited the operation of a heavy-duty diesel-fueled vehicle within the city limits of any city identified by the State Air Resources Board (CARB) as containing both a disadvantaged community and levels of diesel particulate matter air pollution that exceed CARB criteria. **STATUS:** Failed Deadline pursuant to Rule 61(a)(2). 2-year bill.

AB 1100 (Low) Pilot Program to Establish a 32-Hour Workweek in California

Would have establish a 32-hour Workweek Pilot Program in California under the administration of the Department of Industrial Relations. **STATUS**: Failed Deadline pursuant to Rule 61(a)(2). 2-year bill.

AB 1631 (Schiavo) Mining Water Rights Applications

This bill would have required the State Water Resources Control Board to issue a new notice of application and provide an opportunity for protest on any water rights application for a mining operation that has been pending for more than 30 years. **STATUS**: Vetoed by Governor.

AB 1690 (Kalra) Universal Single-payer Health Care Coverage

Would have codified the intent of the Legislature to guarantee health care for all Californians through a comprehensive universal single-payer health care program. **STATUS**: Failed Deadline pursuant to Rule 61(a)(3). 2-year bill.

<u>SB 365 (Wiener) Weakening of Arbitration in Civil procedures</u>

Current law authorizes a party to appeal an order dismissing or denying a petition to compel arbitration. Current practice generally sees the court of appeals place a stay on the proceedings in the trial court when the appeal is perfected. Originally this bill would have prohibited an appeals court from staying the trial court proceedings. As passed, the bill provides that an appeal of a denial or dismissal of a petition to compel arbitration shall not "automatically" stay civil legal proceedings. The amendments to remove the prohibition on the stay were taken to attempt to address our concerns. The amendments make clear that the appeals court still has the authority to place a stay on the trial court proceedings. That said, even as amended, we remained oppose. **STATUS**: Approved by the Governor.

SB 553 (Cortese) Workplace Violence Prevention Plans

Commencing July 1, 2024, requires employers to develop workplace violence prevention plans as part of existing injury prevention plans required by Cal/OSHA. Industry amendments were taken to remove all requirements to install surveillance systems and metal detectors at all jobsite points of entry and to clarify that on multi-employer worksites, only the employer whose employees experienced the workplace violence incident shall have to record the information in a violent incident log and provide a copy to the controlling employer.

STATUS: Approved by the Governor.

SB 574 (Wahab) State Agency Project Labor Agreement Mandate

Would have mandated that the state enter into a project labor agreement and that all state agency construction projects valued over \$35 million dollars be subject to, and governed by, the agreement.

STATUS: Failed Deadline pursuant to Rule 61(a)(2). 2-year bill.

SB 682 (Skinner) Low-carbon Cement and Concrete

Would have made it the policy of the state to purchase or specify at least 10 percent of cement and concrete be low-carbon by 2030 and to exclude the purchase of all fossilbased supplementary cementious materials from that 10% by 2035. **STATUS**: Failed Deadline pursuant to Rule 61(a)(5). 2-year bill.

SB 799 (Portantino) Unemployment Insurance for Striking Workers

Would have authorized workers involved in a trade dispute to collect unemployment insurance benefits, after a two-week wait period, while they are on strike. **STATUS**: Vetoed by the Governor.

LEGISLATION AMENDED TO ADDRESS UCON CONCERNS

AB 43 (Holden) Greenhouse Gas Carbon Trading System for Building Materials

Authorizes the State Air Resources Board (CARB) to create an Embodied Carbon Trading System for measuring and reducing the carbon intensity of building materials used in the construction of new buildings by an entity undertaking a construction project. Industry requested amendments were taken to clarify that an "entity undertaking a construction project" does not include construction contractors and ensured that fines could not be passed down from developers to contractors for materials used that were noncompliant with any compliance standards within the embodied carbon trading system. **STATUS**: Approved by the Governor.

AB 336 (Cervantes) CSLB Workers' Compensation Insurance Reporting

Beginning July 1, 2024, requires all active CSLB licensees to certify on their license renewal form, the three workers' compensation insurance classification codes for which the highest estimated payroll is reported on the policy. If the licensee has fewer than three classification codes reported on the policy, the licensee must provide every classification code reported on the policy. Industry amendments were taken to clarify that CSLB shall not be required to verify, investigate, or enforce the accuracy of the licensee's workers compensation classification codes.

STATUS: Approved by the Governor.

AB 594 (Maienschein) Public Prosecutor Labor Code Enforcement

Authorizes a public prosecutor to independently prosecute an action, either civil or criminal, for a violation of the Labor Code without direction from the Division of Labor Standards Enforcement. The measure also prohibits any "individual agreement" between a worker and employer that limits representative actions or mandates private arbitration, to take precedence over the public prosecutor action. Amendments were taken at our request to clarify that "individual agreement" does not include collectively bargained agreements, ensuring that our industry grievance and arbitration provisions remain valid.

STATUS: Approved by the Governor.

AB 1204 (Holden) Limiting the Use of Subcontractors Who are Sole Proprietors

Prohibits a specialty contractor from entering into a contract for the performance of work on the same project with more than one subcontractor in the same license classification as the specialty contractor offering the contract, unless either of the following requirements are satisfied. 1) The subcontractor employs persons to perform work in that license classification, or 2) The specialty contractor is signatory to a collective bargaining agreement. We were able to secure the amendments that clarified that the prohibition only applies if the subcontractor has no employees and that signatory specialty contractors are exempt.

STATUS: Approved by the Governor.

SB 27 (Durazo) University of California Contracts

Requires University of California (UC) vendors, including contractors, to make payroll information available to the UC, and any unions signatory to the UC. Industry amendments were secured that exempts construction contractors signed to a valid CBA from having to comply with the bill.

STATUS: Approved by the Governor.